

which a grantee or the Department may simply find embarrassing, questionable, unlawful, or otherwise suggestive of poor management or judgment. That an audit contains sensitive information should not be cause to withhold the entire audit from public release, but rather the Conference expects that such information would merely be redacted from posted audits.

Section 102. Other Amendments to the Homeland Security Act of 2002

Section 2004(a)(1) of the House bill includes a provision requiring the Secretary to coordinate with the National Advisory Council and other components of the Department when evaluating and prioritizing grant applications.

Section 2007 of the Senate bill requires that the Administrator regularly consult and work with the National Advisory Council, an advisory panel of State, local, tribal, private and nonprofit officials established under Section 508 of the Homeland Security Act, on the administration and assessment of the Department's grant programs, in order to ensure regular and continuing input from State, local and tribal governments and emergency response providers and better integration of these parties into the grants process.

The Conference substitute adopts the Senate provision, as modified.

Section 103. Amendments to the Post-Katrina Emergency Management Reform Act of 2006

Section 2005(h)(5)(E) of the House bill requires that each recipient of a covered grant include in its annual report to the Secretary, information on the extent to which capabilities identified in the applicable State homeland security plan or plans remain unmet.

Section 2008(a)(1) of the Senate bill requires that, as a component of the annual Federal Preparedness Report required under section 652 of the Post-Katrina Emergency Management Reform Act, the Administrator report to Congress on the extent to which grants administered by the Department have contributed to State, local and tribal governments achieving target capabilities and have led to the reduction of risk.

The Conference substitute adopts the Senate provision, as modified. Section 103 of the substitute amends section 652 of the Post-Katrina Emergency Management Reform Act to require that the Administrator conduct an evaluation of the efficacy of Department grants in helping States, localities, and tribes achieve target capabilities and in reducing risk and to require States to report on the extent to which their target capabilities remain unmet and assess the resources needed to meet preparedness priorities.

Section 104. Technical and conforming amendments

Section 104 makes technical and conforming amendments to the Homeland Security Act of 2002, consistent with those made in section 204 of the Senate bill and paragraphs (a)(1)–(4) of Section 101 of the House bill.

TITLE II—EMERGENCY MANAGEMENT PERFORMANCE GRANTS

There is no comparable House provision.

Title IV of the Senate bill reauthorizes the Emergency Management Performance Grants (EMPG) Program. In the Senate bill, the program provides grants to States to assist State, local and tribal governments in preparing for, responding to, recovering from, and mitigating against all hazards. The section codifies the existing allocation formula for EMPG grants in which each State receives 0.75 percent of the total appropriation for this program, with the remainder of the appropriated funding distributed to States in proportion to their population.

The Senate bill also specifies allowable uses for EMPG grants, and continues the existing cost-sharing requirement, whereby the Federal share of an activity's cost may not exceed 50 percent.

The Conference substitute adopts the Senate provision, with modifications. Section 201 of this title directs the Administrator to continue implementation of an Emergency Management Performance Grants program, the nation's principal grant program to assist State, local, and tribal governments in preparing for all hazards. The Conference substitute continues this program, as authorized by the Robert T. Stafford Disaster Relief and Emergency Assistance Act, and authorizes appropriations for the program through FY 2012. Section 202 of this title amends section 614 of the Stafford Act, concerning the Federal share for construction of Emergency Operations Centers (EOCs). Section 202 allows the Federal Government to finance up to 75 percent of the costs of equipping, upgrading, and constructing State or local EOCs. While equipping, upgrading, and constructing EOCs are eligible activities under the EMPG program, these also remain eligible activities under other provisions of Title VI of the Stafford Act, and section 202 applies the maximum 75 percent Federal cost share to the EMPG program and to any other program authorized under Title VI of the Stafford Act that provides grants for construction of EOCs.

TITLE III—INTEROPERABLE COMMUNICATIONS FOR FIRST RESPONDERS

Section 301. Interoperable Emergency Communications Grant Program

Section 201 of the House bill amends Title V of the Homeland Security Act of 2002 by creating a stand-alone interoperability grant program at the Department of Homeland Security (the Department or DHS). This provision directs the Secretary of Homeland Security (the Secretary), acting through the Office of Grants and Training, in coordination with the Director of Emergency Communications, to establish the Improved Communications for Emergency Response (ICER) grant program to improve emergency communications among State, regional, national, and, in some instances, international border communities. The provision provides that the ICER grant program would be established the first fiscal year after the Department met the following requirements: the completion of and delivery to Congress of the National Emergency Communications Plan; the completion of the baseline interoperability assessment, and the determination by the Secretary that substantial progress has been made with regard to emergency communications equipment and technology standards. Further, the provision states that the ICER grants may be used for planning, design and engineering, training and exercises, technical assistance, and other emergency communications activities deemed integral to emergency interoperable communications by the Secretary.

Section 301 of the Senate bill amends Title XVIII of the Homeland Security Act of 2002 by creating a grant program administered by the Federal Emergency Management Agency (FEMA) dedicated to improving operable and interoperable emergency communications at local, regional, State, Federal and, where appropriate, international levels. In applying for the grants, States would have to demonstrate that the grants would be used in a manner consistent with their Statewide interoperability plans and the National Emergency Communications Plan. The States would be required to pass at least 80 percent of the total amount of the grants they receive, or the functional equivalent, to local and tribal governments. Section 301 re-

quires that each State receive not less than 0.75 percent of the total funds appropriated for the grant program in any given year. Further, Section 301 authorizes \$3.3 billion for the grant program for the first five years: \$400 million in Fiscal Year 2008; \$500 million in Fiscal Year 2009; \$600 million in Fiscal Year 2010; \$800 million in Fiscal Year 2011; and \$1 billion in Fiscal Year 2012.

The Conference substitute adopts the Senate provision by amending Title XVIII of the Homeland Security Act to require that the Secretary establish the Interoperable Communications Grant Program to make the grants to States. The Conference Report clarifies the Senate's all-hazards approach for the use of the grants by stating that the grants should be used to carry out initiatives to improve "interoperable emergency communications, including the collective response to natural disasters, acts of terrorism, and other man-made disasters."

The Conference substitute clarifies that the Office of Emergency Communications is responsible for ensuring that the grants awarded under this section are consistent with the policies established by the Office of Emergency Communications in accord with its statutory authority and that the activities funded by the grants must be consistent with the Statewide interoperable communications plans and comply with the National Emergency Communication Plan, when completed. The Conference substitute further makes clear that FEMA will administer the grant program pursuant to its responsibilities and authorities under law. It is the intent of the Conferees that FEMA administer the grant program in a manner that is consistent with the policies established by the Office of Emergency Communications. FEMA shall provide applicants a reasonable opportunity to correct defects in the application, if any, before making final awards.

The Conference substitute modifies the House and Senate provisions to clarify that the grants administered under this section shall be used for activities determined by the Secretary of the Department to be integral to interoperable communications. Because of a concern about the potential for fraud, waste, and abuse, the Conferees expect the Department to institute aggressive oversight and accountability measures to ensure that grantees under this section use the funds in a manner that advances the standards outlined in the SAFECOM interoperability continuum, including but not limited to governance, standard operating procedures, technology, training and exercises, and usage. Moreover, the Conference substitute states that recipients of grant funds under this program are prohibited from using grants for recreational or social purposes. Nor may grantees use these funds to supplant State or local funds, or to meet cost-sharing contributions. The Conference substitute gives the Secretary clear authority to take "such actions as necessary" to ensure that the grant funds are being used for their intended purpose.

Grants awarded pursuant to the Interoperable Emergency Communications Grant Program may be used for operable communications—the ability of emergency response providers and relevant government officials to continue to communicate in the event of natural disasters, acts of terrorism, and other man-made disasters—if the Director of Emergency Communications reports to the Secretary of the Department of Homeland Security that a national baseline level of interoperability has been achieved, or if the Director of Emergency Communications finds that an applicant's specific request for grant funds for operability is critical and necessary to achieve interoperability.

The Conference substitute requires that before a State may receive a grant under